

“Grantees and Contractors are hereinafter referred to as Contractor.”

The United States Department of Agriculture (USDA) and the Nutrition Education and Obesity Prevention Branch (NEOPB) requires all contractors to maintain accurate and detailed records of all expenditures associated with the NEOPB SNAP-Ed program.

The NEOPB will periodically review documentation to ascertain an organization’s adherence to the fiscal documentation requirements of the contract agreement and USDA Guidance. Contractors must maintain all records reflecting actual expenditures for each year covered by the term of the contract. These supporting documents must be available if the NEOPB, State Auditors, California Department of Social Services (CDSS) or USDA requests to review and/or audit any fiscal records for the Contractor. All documents used to support and substantiate expenses must be stored for a minimum of three (3) years after the end of the final contract term, unless a longer record retention period is stipulated, and be accessible to the State and/or USDA upon request. In view of the need for contract records for present and possible future review, audits, litigation, etc., the Attorney General’s office has requested that contract records be retained for a period of seven (7) years either from the closeout date or the payment date on the last invoice, whichever is earlier.

500.1 Required Supporting Documentation

Contractors are required, when requested to submit one copy of supporting documentation associated with the selected invoice period and should include but is not limited to, the following documentation for any of the budgeted line items. All documentation must equal the total amount reflected on the invoice.

A. Personnel Salaries: Documents must be based on actual expenditures and include:

1. Time records - computer or manual reports/ledgers documenting personnel expenses that include percent of time/number of hours, actual salary, etc.
Note: Contractors must use the NEOPB approved bi-weekly time log unless approved for an alternative time record. If contractor has been approved to use an alternative time record, please provide a copy of the written approval from NEOPB along with the copy of the time records.
2. Payroll registers.
3. Staff budgeted at **less than 100 percent** of their time on nutrition education must provide either a signed Bi-Weekly Time Log (BWTL) (Appendix 10), or USDA approval to use a Quarterly Time Study (QTS). To request approval, please use the QTS Request Form (Appendix 11). The use of a Quarterly Time Study must be preapproved by USDA, annually.
4. Staff budgeted at **100 percent of their time** on nutrition education must provide a signed Duty Statement (Appendix 12) describing time spent on nutrition education activities and are required to have signed a Semi-Annual Certificate of Activity Form on file (Appendix 13) on agency letterhead. This form must be signed by employee and supervisor twice a year certifying after the time period.

B. Benefits: Records of actual expenditures associated with fringe benefits to include percentage for each employee or actual dollar amount and a list of benefits billed under this line item.

- C. **Operating Expenses:** Vendor invoices, bills, and receipts to support all line item expenses claimed on the invoice for operating expenses that were approved under this line item in the budget justification (BJ).

If any operating expense (i.e. space, rent, phones, etc.) is being charged, also provide a formula on how the amount billed was calculated or prorated if the expense is shared with other programs.

- D. **Equipment Expenses:** Vendor invoices, bills and receipts to support all line item expenses claimed on the invoice all equipment purchases that were approved under this line item in the BJ. Any equipment that has been purchased with federal funding, must be recorded on the Contractor Equipment Purchased with California Department of Public Health (CDPH) Funds form, CDPH 1203 (Appendix 7) and submit with the quarterly/monthly invoice. In addition, with the 4th quarter invoice, submit a CDPH 1204, Inventory/Disposition of CDPH Funded Equipment form (Appendix 8).

- E. **Travel and Per Diem:** Travel claim source documentation to include: agenda(s), Google/map quest maps, hotels receipts, conference fee receipts, parking/toll receipts, travel/mileage log, car rental receipts, paid airline receipts, taxi, train, bus ticket receipts, gas receipts, any other bills, and invoices to support any/all line item expenses claimed on the invoice that were approved under this line item in the BJ. Keep the following points in mind when completing and processing travel expense claims:

1. Travel expense claims must reflect the traveler's name and title or classification, start and end dates, start and end time of travel, and reason for travel. The traveler must also be listed as staff on the approved BJ.
2. California Department of Human Resources (CalHR) travel reimbursement guidelines must be applied to all employees, subcontractors, consultant agreements, mini contracts, advisory committee members, etc.
3. All contracts, subcontracts, consultant agreements and mini grants require that travel expenses adhere to the rates established by CalHR.
4. The NEOPB will not reimburse costs above the maximum CalHR state rates unless prior approval has been given, refer to Section 800. Travel and Per Diem.

- F. **Subcontracts, Consultant Agreements and Mini Grants:** Subcontractor expenses and services must be documented with time logs, semi-certifications, payroll records to include fringe benefit expenses, indirect cost documentation, invoices, bills, and any other receipts to support all line item expenses claimed on invoice that were approved under this line item in the BJ. In addition, provide NEOPB approvals for any subcontract(s), consultant agreement(s) and mini grant(s) for all subcontracts over \$5,000 on the budget.

- G. **Other Costs:** Vendor invoices, bills, NEOPB approved recipes and receipts to support all line item expenses claimed on the invoice that were approved under this line item in the BJ.
- H. **Indirect Costs:** Records of actual expenditures associated with indirect costs (including copy of federally-negotiated rate signed on agency letterhead or approved certification/allocation plan from the NEOPB, vendor purchase orders for outside services such as utilities, janitorial, payroll, bookkeeping, legal, etc.) and a detailed list of items billed under Indirect Costs to support all line item expenses claimed on the invoice.

500.2 Preparing Required Supporting Documentation for a Review

When a contractor has been notified by NEOPB of a desk review or compliance review the contractor will be sent an instruction packet with summary spreadsheets that must be used (Appendix 14 and Appendix 15). A contractor may request prior approval to use alternative spreadsheets, reports, etc. for purposes of preparing for a desk review or compliance review in lieu of the NEOPB approved spreadsheets. The contractor's accounting system must be capable of generating reports or spreadsheets that contain detailed expenditure object codes to record actual expenses for qualifying nutrition education activities and expenditures invoiced.

If a contractor is granted approval to use their computer-generated reports or spreadsheets, the contractor needs to provide a code key, if applicable for the expenditure object codes that have been designated. The contractor should highlight all expenses on the support documentation that are to be used to support the items listed on the summary spreadsheet that total amount invoiced for each line item.